Statement of American Federation of Government Employees to the Senate Committee on Post Office and Civil Service on Bills Relating to Administration of Overseas Activities and Permitting Placement of Employees Returning From Abroad

The two bills — H.R. 7758 and H.R. 10695 — under consideration by this Committee today are of special interest to the American Federation of Government Employees. We support them for the benefits they would provide for many Federal employees serving overseas. Among these employees are members of our Organization employed by the Government in Hawaii, the Panama Canal Zone, Guam, and Okinawa, as well as in various foreign countries.

The bill H.R. 7758 which passed the House last year would provide such benefits as home leave, educational and housing allowances, automobile allowances, and clarification of existing authorities for payment or reimbursement for transportation or storage of personal property of employees assigned to foreign duty. It would continue and consolidate for all departments and agencies a hardship post differential not to exceed 25 per cent of basic compensation.

The bill H.R. 10695 has beneficial implications for both employees and management by providing for rotation in overseas assignments of civilian employees of the Defense Establishment between posts of duty in the United States and abroad. This bill was passed by the House in recent weeks.

Both bills would stimulate recruitment of persons for duty overseas. It is important that the United States Government have the services of trained, experienced, and efficient personnel in distant lands as well as here at home.

Employees who accept this overseas duty in all fairness should not be called upon to undergo hardships or financial loss which could be lessened or prevented by thoughtful action on the part of the Government they are serving. Our members who accept this duty have told us of the disadvantages they have experienced, and it is with their comments in mind that we are urging this Committee to act favorably on these two bills.

Employment of United States citizens in large numbers outside this country was a development of World War II, and continued thereafter not only in the Foreign Service of the State Department but in other agencies of government as well. In January 1960, 50,638 United States citizens were employed by all agencies in foreign countries and in the American territories and possessions. Those in foreign countries to whom these bills apply numbered 33,445 distributed among the larger agencies as follows:

Department of Defense	20,816
Department of State	10,141
US Information Agency	1,123
All other departments and agencies	1,365
Total	33,445

The bill H.R. 7758 contains recommendations of the House Post Office and Civil Service Committee in 1956 formulated after four years of extensive hearings, conferences, and studies in cooperation with the Personnel Adviser to the President, the Civil Swrvice Commission, General Accounting Office, the Department of Defense and Department of State as well as other agencies having overseas responsibilities. The general purpose of this legislation is to clarify and strengthen the statutes and regulations affecting the working and living conditions of United States citizens employed overseas.

The significance of this bill is aptly described in this comment by the Committee in reporting the measure to the House:

> The importance of sound and effective personnel policies in the conduct of overseas programs of the Government is well recognized. United States citizens assigned to overseas civilian posts are responsible for an important part of the duties necessary to the success of our military and economic commitments in foreign countries.... The effectiveness of their performance — and consequently, the accomplished results of entire programs — are directly related to the facilities which the Government places in their hands to aid them in carrying out their assigned tasks.

This proposed legislation would afford needed improvement in certain allowances and differentials applicable to duty in foreign areas. Title II comprises a consolidation of existing provisions with additional authorizations for the payment of allowances and differentials. There is new authority for payment of a temporary lodging allowance for a period not to exceed one month immediately before final departure of an employee from an overseas post as well as for reimbursement of reasonable expenses incurred for initial repairs, alterations, and improvements to make substandard living quarters habitable.

Where an employee must maintain a separate establishment for his dependents away from his post of duty, but not necessarily outside the country of assignment, the bill would grant a separate maintenance allowance. Another desirable feature is the consolidation for all departments and agencies of existing authority to pay a hardship post differential not exceeding 25 per cent of basic compensation.

Attention is called to the need for upward revision generally of the cost-of-living differentials established to prevent economic hardship as it is proposed to compensate the employee for undersirable environmental conditions .

There is also needed consolidation and clarification of existing authorities for all departments and agencies to pay for or reimburse employees for transportation or storage of personal property when assigned to overseas duties. Authority for transporting the privately-owned motor vehicle of an employee to his overseas post would be extended to employees of all departments and agencies whereas it is presently applicable only to those subject to the Foreign Service Act of 1946 or related legislation.

One of the most attractive features of the bill is its extension to employees of all departments and agencies of authority to grant home leave, not exceeding one week for each four months of service. This would be granted to an employee who completes twenty-four months of continuous service abroad. Heretofore, such an arrangement was available only to employees covered by the Foreign Service Act or related enactments.

Also in Title IV is the extension of certain provisions of the Annual and Sick Leave Act of 1951. Under terms of this bill a maximum accumulation of forty-five days of annual leave is authorized for persons directly recruited or transferred by the Federal Government from the United States, the Commonwealth of Puerto Rico, or United States possessions, or who are employed under varying circumstances in a foreign area, as well as persons discharged from the Armed Forces.

Liberalization of home leave is closely related to the primary objective of this bill, namely, to enable the Government to recruit and retain the services of the personnel it needs in foreign areas. Some persons accept these foreign assignments because of their interest in travel abroad, but they are reluctent to remain away from family or friends back home for protracted periods.

Section 303 (f) of the Annual and Sick Leave Act of 1951, as amended, provides home leave for Foreign Service employees without stipulation that it will be dependent on regulations yet to be issued. The grant of home leave in H.R. 7758 should be similarly worded. This change may be accomplished by omitting the words "in accordance with regulations of the President." In other respects the bill is designed to achieve uniformity of treatment. Home leave should be no exception.

Further amendment of the bill is suggested to apply the provisions of home leave to all Federal employees serving in the Panama Canal Zone.

The bill H.R. 10695 supplements the objective of H.R. 7758 to establish a coordinated and uniform system of more nearly adequate compensation of government employees for the added cost, hardship, and inconvenience of living abroad. It

would accomplish this additional purpose of providing for rotation in overseas assignments of civilian employees of the Defense Establishment. Such a program would be a distinct advantage to employees and management. The benefit to management arises from its encouragement of the interchange of civilian employees between posts of duty in the United States and in other countries.

Employees of the Departments of the Army, Navy, or Air Force presently may not be given assurance upon departing for foreign assignments that they can return to the same jobs they left in the United States. The law and regulations do not permit such assurance, and the only way it can be supplied is by positive legislative action.

It is evident that amendment of existing law to remove the uncertainty of reassignment in the United States is in the interest of national security. The bill would make available to the defense agencies in posts outside the country the services of many employees who decline overseas assignments or who are unwilling to remain outside the country for more than one tour of duty. Such unwillingmess is understandable if the employee can be given no assurance that he can return home to the same position or its equivalent.

The bill treats the problem as one of national defense. This is both logical and practical, for it emphasizes the compelling need for this legislation. Analysis of employment overseas reveals the scope of this measure from the standpoint of personnel affected. Of the 23,304 United States citizens employed by all agencies other than the State Department in January 1960, 20,816 or 89 per cent, were employees of the Defense Establishment. The Foreign Service Act provides similar benefits for State Department employees.

The bill is so drafted that the right to return to a position in the United States is restricted to employees who are requested by the department concerned to accept an assignment outside the United States. This restriction assures the application of exceptions in present law to employees whom a military department

needs in foreign areas. The procedure which the bill would permit would not merely serve the convenience of the individual.

Another feature of the bill which safeguards the public interest is that an employee must satisfactorily complete his overseas assignment to exercise the right of placement upon his return to this country. Therefore, an employee may benefit from this legislation only if he has performed his duties efficiently.

An employee also would be required to apply for placement in his former position within 30 days from the date of completing his foreign assignment. Again, the individual would not be permitted to suit his convenience rather than the best interests of the Government. The restrictions provided, however, could be waived upon a showing of personal necessity.

If this bill is enacted, it would provide ample protection to the Government as well as benefit the employee accepting an overseas assignment. He would be enabled to go abroad knowing that he had a job to which he could return. This assurance would encourage more employees to accept foreign duty, and in this way the Defense Establishment would have available a greater number of employees who are well qualified for such assignments.

The terms of reassignment would be clarified in the procedure provided. The position which an employee leaves could be clearly identified as the one to which he can return if he so desires. At the same time the employee who is assigned to the position vacated may be clearly informed that his incumbency is predicated upon the employee in an overseas assignment exercising his right to return to that position which he formerly held.

The primary purpose of this bill is to relieve the presently acute problem of recruiting desirable personnel for foreign duty. The number of days required for such recruitment in the Departments of the Army, Navy, and Air Force now averages frpm 100 to 134. Reduction of this period is vital for reasons of economy and improved administration.

The bill would accomplish these management objectives while protecting the rights and personal welfare of the individual employee. If the position formerly held has been abolished while an employee is serving overseas, he may be placed in another existing position or in a new position for which he is qualified. The position must be in the same geographical area with equal rights and benefits, and the classification must be equal to that of the position vacated.

If the position held prior to foreign duty no longer exists or if there is no appropriate position available, the returning employee can be placed for 90 days in a position established for his benefit. He may be reassigned or separated under reduction-in-force procedure, if all possibility of placement fails. If an employee is of sufficient value to his agency to be sent overseas it is difficult to visualize his separation upon his return to the States.

Both the bills H.R. 7758 and H.R. 10695 would contribute substantially to the improvement of the administration of overseas activities of the Government, to use the words of the title of the former measure. It is desirable to establish a uniform system of dealing with employees who go abroad in Federal service. Equality of treatment is fundamental to good personnel administration. The fact that uniformity will be provided in H.R. 7758, and that recruitment of the best qualified persons of the Defense Department for overseas duty will be enhanced by H,R. 10695 sufficiently commend both these measures to early consideration and approval by this Committee.

In closing, we desire to express our appreciation to the Chairman and Members of this Committee for receiving our comment on these bills.

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